

WEST SOUND UTILITY DISTRICT  
Minutes of Regular Meeting of the Board of Commissioners  
Held in Office Building  
2924 SE Lund Avenue, Port Orchard, WA 98366  
Monday, January 20 2009

---

Chairperson: Jerry Lundberg  
Vice Chairperson: James Hart  
Secretary: Bill Huntington  
Commissioner: Jeannie Screws (ABSENT)  
Commissioner: Susan Way

---

Attending: Larry Curles, General Manager  
John Poppe, Plant Manager  
Joe Redfern, Operations Foreman  
Tracy Fantz, Assistant Finance Manager  
Sue Fowler, Customer Service Manager  
Deena Carpenter, Customer Service Clerk  
Richard Gross, District Attorney

Also in attendance was Dave Trageser of D.A. Davidson & Co.

The meeting was called to order by Commissioner Lundberg at 4:30 PM

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

BOARD DISCUSSION/ACTION

Approval of Board Minutes of January 5<sup>th</sup>

Commissioner Huntington moved to approve the minutes of the January 5, 2009 Board meeting. The motion to approve the Board minutes, seconded by Commissioner Hart, passed unanimously.

Update on the 2009 Revenue Bond by Dave Trageser, D.A. Davidson & Co.

Mr. Trageser represents D.A. Davidson and is assisting the District in selling a revenue bond for the Sedgwick water/sewer mains, Well 22, and other projects. He briefed the Board on the upcoming bond sale and noted the following:

- ✓ He and the District staff had a conference call with the rating agency. The underlying bond rating should be determined this week. With the information, he will price bond insurance, if it is available.
- ✓ The closing is set for 2 weeks on February 3<sup>rd</sup>.
- ✓ Included in the new bond are the listed capital improvements and paying off the existing bonds. This is needed to remove their prior liens. The reserve accounts for those bonds will help offset the revenue bond.
- ✓ The interest rate is estimated to range from 2.15% to 5.28% over the 20 year life of the bonds. This assumes an A category and a level 20-year debt service payment.
- ✓ At 7 AM on February 3<sup>rd</sup>, the bonds will be priced and at 11 AM, he will call the District's General Manager for a verbal commitment. The Board will need to meet that day to provide the authority of the verbal award.

The Board discussed the amount of the bond. If the construction costs are less than anticipated, the funds can be used to supplement the other projects. If the construction costs exceed the estimates, the funds for the Salmonberry generator can be used for the expense.

The Board concurred to have their regular meeting on February 2<sup>nd</sup> and then continue the meeting to 4:30 PM February 3<sup>rd</sup> to make the final commitment for the bond sale.

#### Update on the Sedgwick Water and Sewer Main Project

The General Manager reported that the water and sewer plans have been submitted to WSDOT. The plans show the removal of the AC water main. If WSDOT revises that requirement, the plans can be changed by an addendum or change order.

WSDOT has delayed its bid advertisement for another week.

#### Resolution 93-09 Authoring Street Light at the Intersection of Beach Drive and Olney Avenue

This agenda item is delayed until the end of the meeting to allow input from the neighbors.

#### Resolution 94-09 Authorize HDR Task Order 3 Reclaimed Water

The General Manager reported that HDR was needed to help respond to Department of Health questions concerning the reclaimed water process in regard to the State permit application. Commissioner Hart moved to approve Resolution 94-09 to authorize HDR Engineer assistance to respond to the State inquiries concerning the reclaimed water process. The cost shall not exceed \$10,000. The motion, seconded by Commissioner Huntington, passed unanimously.

#### Resolution 95-09 Authorize Task Order 1, JWWTF Blower

The General Manager reported to the Board that the JWWTF needs HDR Engineer assistance in the selection and sizing of a new blower for the Facility. Commissioner Huntington moved to approve Resolution 95-09 to authorize HDR Engineer assistance in the JWWTF blower

acquisition for a cost not to exceed \$7,500. The motion, seconded by Commissioner Way, passed unanimously.

### ATTORNEY'S REPORT

The District Attorney reported in the following:

- ✓ At the staff request, he prepared letters for the Auditor. In those letters, he noted that he was not the attorney for Karcher Creek Sewer District. Those letters were accepted by the Auditor.
- ✓ He is working with the General Manager to prepare employment contracts for the General Manager and Plant Manager.
- ✓ He has reviewed the proposed lease which would allow Cricket Communications to install equipment on the Salmonberry Elevated Tank. He has also recommended that the other two firms which use the tank be advised of the action.

### PLANT MANAGER'S REPORT

Plant Manager John Poppe reported on the following:

- The plant is running well.
- Employee Rodney Ewing continues to be on L&I, for at least the remainder of the month.
- HDR Engineers continue to prepare the final report for the pilot project at the Kitsap Memorial State Park. The Parks Commission staff keep revising their report requirements.
- The staff continues supporting the Blake Island wastewater facility. There was an alarm recently and the staff responded to it.
- Grease at the Blake Island facility is still an issue. However, Operator Gallagher developed an air delivery system to break up the existing grease and that has substantially reduced its impact on the treatment process. Meanwhile, the Parks Commission is reevaluating its emergency requirement for a grease interceptor.
- The Department of Veterans Affairs reports that the reclaimed water lease is still with the Department of General Administration.
- The Plant Manager will be at the Large On-Site Sewer System (LOSS) meeting this week.

### OPERATIONS FOREMAN'S REPORT

Operations Foreman Redfern reported on the following:

- The water crew has resumed flushing the water mains.
- Utility Specialist Water II Kevin Long is recuperating from his knee injuries.
- There was a water leak on Mile Hill Drive last week and it has been repaired.
- The Contractor for the Converse Sewer Main is installing the pump rail assembly. The pump panel has not yet arrived.

- Andrew Secor has resigned from the crew to take a job with the Puget Sound Naval Shipyard.

#### CUSTOMER SERVICE MANAGER'S REPORT

Customer Service Manager Fowler reported that she will be meeting with the Hartstene Pointe Water and Sewer District commissioners to show them her Customer Service procedures.

#### FINANCE MANAGER'S REPORT

Finance Manager Patton is at the Presidential Inauguration and is represented by Assistant Finance Manager Tracy Fantz. After the Bond report, she reported on the following and then had to depart the meeting for a previous commitment:

- The auditor has completed the office work and will schedule an exit conference.
- Three employees used less than 24 hours of sick leave in 2008 and earned the 8-hour annual leave bonus. They are Rassy Elliot, Tracy Fantz, and Wes Morrell.
- Denita Patton has been selected by the County Commissioner to be a board member of the Kitsap County Council of Human Rights.

#### GENERAL MANAGER'S REPORT

The General Manger reported on the following:

- Commissioner Garrido has scheduled a tour for 9:30 AM, February 10<sup>th</sup>
- In response to the request about plowing District property, the crew researched the cost of a snow plow. It is about \$6,000 to \$7,000 and can be considered at the mind-year budget review.
- Cricket Communications is interested in leasing space on the Salmonberry Elevated Tank.
- The employment contracts are being drafted and should be ready for the next Board meeting.
- The employees of the 4<sup>th</sup> quarter are Kevahn Steinke, Randy Bowers, and Heidi Hill.

#### Resolution 93-09 Authoring Street Light at the Intersection of Beach Drive and Olney Avenue

No neighbors attended to discuss the proposed street light. The General Manager will determine if a glare shield can also be included with the light. Commissioner Hart moved to approve Resolution 93-09 to install a street light at the corner of Beach Drive and Olney Avenue. The motion, seconded by Commissioner Way, passed unanimously.

#### Excuse Commissioner Screws from Meeting, Due to Scheduling Conflict

Commissioner Screws had a scheduling conflict and could not attend this Board meeting.

Commissioner Way moved to excuse Commissioner Screws from this Board meeting. The motion, seconded by Commissioner Huntington, passed unanimously.

COMMISSIONER'S REPORT

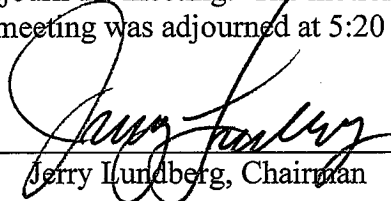
Commissioner Hart discussed his recent State Water Quality Committee meeting. At that meeting, there appeared to be an attitude that the Puget Sound is being seriously impacted by wastewater treatment plants and those facilities should bear a significant part of the clean up costs. He pointed out that the stormwater is a major pollution contributor and the on-site sewer systems are major nitrogen contributors.

SIGN VOUCHERS AND RESOLUTIONS

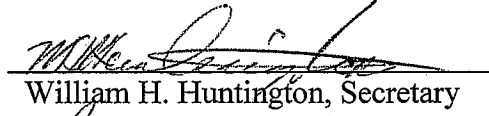
The Board signed the vouchers and payroll, as indicated on the attached summary sheet.

ADJOURN

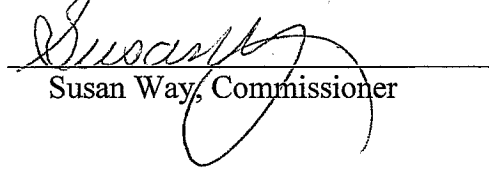
Commissioner Way moved to adjourn the meeting. The motion, seconded by Commissioner Hart, passed unanimously. The meeting was adjourned at 5:20 PM.

  
\_\_\_\_\_  
Jerry Lundberg, Chairman

  
\_\_\_\_\_  
James J. Hart, Vice Chairman

  
\_\_\_\_\_  
William H. Huntington, Secretary

ABSENT  
\_\_\_\_\_  
Jeannie Screws, Commissioner

  
\_\_\_\_\_  
Susan Way, Commissioner

**PAYROLL AND ACCOUNTS PAYABLE VOUCHER INFORMATION  
 JANUARY 20, 2009 WSUD BOARD MEETING**

<b>JANUARY 2009 PAYROLL:</b>	<b>91926</b>	<b>124,073.92</b>
	<b>91928</b>	<b>53,267.26</b>

<b>ACCOUNTS PAYABLE:</b>		<b>VOUCHER NUMBERS</b>	
<b>91926</b>		16314 - 16324	3,193.89
		16325 - 16344	15,298.73
		16346 - 16368	109,682.18
			<hr/>
	<b>TOTAL 91926:</b>		<b>128,174.80</b>

<b>91928</b>		7958 - 7979	17,985.28
		7980 - 8002	26,837.97
			<hr/>
	<b>TOTAL 91928:</b>		<b>44,823.25</b>

<b>91932</b>		8003 - 8006	9,476.11
			<hr/>
	<b>TOTAL 91932:</b>		<b>9,476.11</b>

<b>91933</b>		16345	6,950.40
		16369 - 16370	126,491.21
			<hr/>
	<b>TOTAL 91933:</b>		<b>133,441.61</b>